Change in Model Concession Agreement for construction of National Highways

209. SHRI R.S. GAVAI: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether Government propose to make changes in Model Concession Agreement for construction of National Highways development project to guarantee minimum rate of return to private investors;

(b) if so, the details thereof; and

(c) the other steps proposed to attract private sector investment in road sector?

THE MINISTER OF STATE OF THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (MAJ. GEN. (RETD.) B.C. KHANDURI): (a) No, Sir.

(b) Does not arise.

(c) Government has already provided a number of incentives for private sector such as tax holiday for five years and 30% tax deduction for another five years, duty free import of construction equipment, capital subsidy upto 40% in Build-Operate-Transfer Agreements on case-to-case basis, etc. In addition, annuity approach whereby the entrepreneur is assured a fixed annual sum to recover the investment, is also being adopted.

Dream Highway Plan

210. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Prime Minister's Dream Highway Plan was approved by Government and an amount of Rs. 30,300 crore has been earmarked for investment in this plan;

(b) if so, whether any concrete action plan has been prepared in this regard;

(c) if so, the details thereof;

(d) the amount earmarked for 2001-2002;

(e) the works to be carried out during this period; and

(f) by when this plan is likely to be implemented?

THE MINISTER OF STATE OF THE MINISTRY OF ROAD TRANSPORT AND HIGHWAYS (MAJ. GEN. (RETD.) B.C. KHANDURI): (a) and (b) Government approved in December, 2000, an investment of Rs. 30,300 crore for a programme of 40 sub-projects forming part of the National Highway Development Project (NHDP) to be taken up during the two years, i.e. 2000-2001 and 2001-2002 as well as other on going projects on NHDP and non-NHDP routes.

(c) 40 sub-projects approved by Government envisage 4/6/8 laning in a length of 4659 km. Of this, 4144 km. are on Golden Quadrilateral, 405 km on North-South and East-West Corridors and 110 km. are port connectivity projects.

(d) As the demands for grant for the year 2001-2002 is yet to be approved by Parliament, it is not possible to indicate the amount earmarked for the project.

(e) The works to be carried out during the period are the on-going works and the new works on the approved 40 sub-projects.

(f) Golden Quadrilateral component will be completed by December, 2003, and North-South and East-West Corridor component by December, 2007.

Levy of user charges and restoration fee

211. SHRI RUMANDLA RAMACHANDRAIAH: Will the Minister of ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Prime Minister has directed his ministry to seek Attorney General's opinion on the proposed levy of user charges and restoration fee towards compensation against the